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FEDERAL-STATE PROGRAMS FOR OCCUPATIONAL EDUCATION & TRAINING

FEDERAL EXTENSION SERVICE — UNITED STATES DEPARTMENT OF AGRICULTURE



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FEDERAL-STATE PROGRAMS FOR OCCUPATIONAL EDUCATION & TRAINING

BY BRYAN PHIFER AND
DOYLE SPURLOCK ¹

PREFACE

This publication is intended for Extension workers and lay leaders concerned with the initiation and operation of occupational education and training programs. It describes various Federal-State training programs, eligibility for participation, how eligible individuals may avail themselves of the training, and the resources available to communities and institutions for conducting these programs.

Extension workers will find this publication a useful reference in acquainting RAD committees, other resource development groups, women's and youth organizations, and the general public with these education and training opportunities.

Lay leaders may find frequent use for it in conducting local study-discussion meetings; in preparing presentations for civic clubs, service organizations, and other interested groups; and in working with RAD or other resource development committees.

Several States are including this publication as a reference manual in a packet of educational materials on *Occupational Education and Training for Tomorrow's World of Work*.

For further information on particular acts or other legislation related to occupational education and training, see the sources listed in the appendix. Another source available to Extension workers is the kit of Federal Extension Service fact sheets entitled "Federal-State Programs for Developing Human and Community Resources." These kits are available through your State Extension Service.

¹ Division of Resource Development and Public Affairs, Federal Extension Service, U.S. Department of Agriculture.

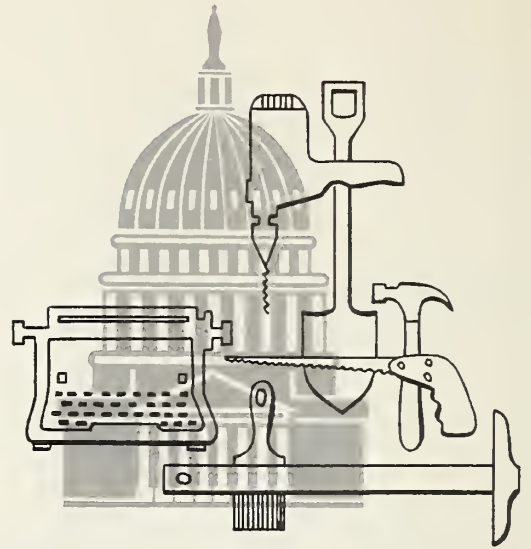
INTRODUCTION

Several acts of Congress provide funds and authority for the Federal Government to assist the States, local governments, communities, and institutions with occupational education and training programs. Some of these acts are new; others have new authorities which greatly expand their purpose and the number of people who can be served. Together, they authorize a wide range of technical and vocational education, training and retraining programs, to prepare youth and adults for the demands of today's and tomorrow's job market. In addition, Federal-State training programs provide opportunity to prepare the functional illiterate, the disabled, and the mentally retarded for more productive work and self-sufficiency.

Recent Federal legislation also provides funds to expand training facilities and to construct and equip new facilities. Through grants and loans, institutions and communities can provide needed educational facilities with a minimum initial investment.

In this respect, the Vocational Education Act of 1963 and the Higher Education Facilities Act take note of the unique role of public community colleges and technical institutes in the national scheme of post-high-school education by providing designated construction funds for the expansion of such instructional facilities.

The Vocational Education Act and the Manpower Development and Training Act have wider applicability for occupational education and training than most other Federal legislation. Thus, these acts are described in more detail than the others summarized in this publication.



THE VOCATIONAL EDUCATION ACT OF 1963

Public Law 88-210

Objectives:

The passage and implementation of the Vocational Education Act of 1963 signal the development of a new stage in the American educational system: That of public-supported post-high-school vocational and technical education. The ultimate goal is to make post-high-school technical training as much a part of our tradition of public education as are elementary and secondary education; and to make vocational education available to people of all ages.

In signing Public Law 88-210, President Johnson stated in part: "It will expand educational opportunities at the grade school level, at the college level, and at the vocational level. . . . Modern demands upon labor and industry require new skills, require more education and greater knowledge. . . . For the first time, Federal funds are going to be available to construct new vocational schools. Demonstration and research projects authorized under this law will vastly improve the quality of our vocational training."

Briefly, the act authorizes Federal grants to States for improving and enlarging existing vocational education programs, to develop new programs, and to provide part-time employment for youth needing income to continue their vocational training on a

full-time basis. The act also authorizes training and retraining for persons of all ages—including those with special educational or socio-economic handicaps—suited to their needs, interests, abilities, and job opportunities.

State grants:

Grants to States are on a matching basis. The sole agency administering Public Law 88-210 funds within each State is the State Board of Vocational Education. To receive its allotment of Federal funds under this act, a State must submit to the Commissioner of Education a plan for administering the funds which meets certain criteria.

Uses of funds:

A State's allotment under Section 2 of the act may be used for:

1. Vocational education for high school students.
2. Vocational education for high school graduates or dropouts who are available for full-time study in preparation for jobs.
3. Vocational education for persons (other than those receiving training allowances under the Manpower Development and Training Act, ARA, and the Trade Expansion Act) who have

entered the labor market but need training or retraining to achieve job stability or advancement.

4. Vocational education for people with academic, socio-economic, or other handicaps which prevent them from succeeding in regular vocational education programs.
5. Teacher training and supervision, program evaluation, special demonstrations and experimental programs, development of instructional materials, State administration and leadership.
6. Construction of area vocational education school facilities, including the department or division of junior colleges, community colleges, and universities providing nondegree vocational education in at least five fields.

At least 33 $\frac{1}{3}$ percent of each State's allotment for any fiscal year prior to July 1, 1968, and at least 25 percent thereafter must be used for:

- *Vocational education for high school graduates or dropouts who are available for full-time study in preparation for entering the labor market; and*
- *Construction of area vocational school facilities.*

Amendments to Smith-Hughes and George-Barden Vocational Education Acts:

The act amends vocational education programs under the Smith-Hughes Act of 1917, the George-

Barden Act of 1946 as amended, and supplementary vocational education acts as follows:

1. Funds for agricultural education may be used for vocational education in any occupation involving knowledge and skills in agricultural subjects. Such education may be provided without directed or supervised practice on a farm.
2. Funds for home economics education may be used for vocational education to fit individuals for gainful employment in any occupation involving knowledge and skills in home economics subjects.
3. Funds for distributive education may be used to prepare for gainful employment any person over 14 years of age who has entered upon or is preparing to enter upon such occupations. Such education need not be provided in part-time or evening schools. This now permits pre-employment training.
4. Funds for trade and industrial education may be used for preemployment schools and classes organized to train students over 14 years of age for jobs. Such schools and classes may be operated for less than 9 months per year and less than 30 hours per week. They are exempt from the requirement that a minimum of 50 percent of the time be given to practical work on a useful or productive basis if the training is for single-skilled or semiskilled occupations which do not require such training or work.



THE MANPOWER DEVELOPMENT AND TRAINING ACT

Public Law 87-415 (as amended by Public Law 88-214)

Objectives:

In 1962, the Congress, noting that “even in periods of high unemployment, many employment opportunities remain unfilled because of the shortages of qualified personnel,” passed the Manpower Development and Training Act. This act was amended by Public Law 88-214 in 1963 to incorporate certain provisions deemed necessary to accomplish the act’s basic objectives.

The act aims to relieve unemployment caused by automation, shifts in market demands, foreign competition, and other economic changes. It recognizes that while the skills of many Americans are becoming obsolete, employment opportunities for trained people are increasing. It further recognizes the need for Federal leadership to insure that the benefits of automation do not produce burdens of widespread unemployment.

Almost 320,000 Americans were approved for Government-financed free training programs under the act between August of 1962 and December of 1964. Another 50,000 were approved for other services including counseling and testing. Of the nearly 91,000 persons who had completed institu-

tional and on-the-job training, about 69,000 or 76 percent, had found jobs—most of them in occupations related to those for which they had been trained. The 1963 amendments make the act more flexible than before in preparing workers from farms and small towns for new job opportunities, both in their own localities and elsewhere.

Administration:

Administering MDTA is the responsibility of two Government departments. The Department of Labor, through State Employment Services, is responsible for testing, counseling, selection for training, and subsequent placement. The Department of Health, Education, and Welfare, through State vocational education boards and other appropriate public and private agencies, is responsible for the training.

Training is conducted in both schools and on-the-job facilities of cooperating organizations. School training is conducted, where possible, by public agencies and institutions. Private educational institutions may also be used when the situation warrants. On-the-job training programs may be set up by

States, public or private agencies, employers, trade associations, labor organizations, and other industrial and community groups. The Secretary of Labor sets standards for the participation of the various groups in on-the-job training programs.

Services provided:

The act provides for testing, counseling and selecting trainees. The local offices of the State Employment Services are responsible for:

- Interviewing prospective trainees to determine their interests, suitability, and aptitudes for training and employment.
- Referring trainees to an appropriate vocational training course or on-the-job training program.
- Keeping track of trainee progress.
- Helping trainees find jobs related to completed training.

Eligibility:

Unemployed or underemployed persons who cannot reasonably be expected to get a suitable full-time job without training are eligible for occupational training. Workers in farm families with less than \$1,200 annual net family income are considered unemployed.

Unemployed people get first chance at training. The underemployed may also be referred for training, when qualified, if such training will help them get the job skills they need.

Training:

Before a person is selected for training in a particular skill, there must be a reasonable prospect that he can find work in that occupation. First to be referred for training are persons to be trained in skills needed: (1) Within the labor market area where they live; and (2) within the State where they live.

The length of a training program to which a person is referred "shall be reasonable and consistent with the occupation for which the person is being trained." However, people will not be referred for training in an occupation which requires less than 2 weeks' training, unless there are immediate job openings in that field.

Two important special features of the act provide:

1. A program for testing, counseling, selecting, and referring youths, 16 or older, for occupa-

tional training and further schooling. These must be youth who, because of inadequate educational background and work preparation, cannot get jobs; and

2. Opportunities for older people to learn basic education skills which will enable them to take occupational training. People in this category may be eligible for training allowances for up to 20 weeks in addition to the training allowance eligibility listed below.

Training allowances:

Cash payments of up to \$10 a week more than the average weekly State unemployment compensation are authorized. These allowances can be paid for 52 weeks. In cases where basic education courses (for example, literacy and arithmetic training) are required, another 20 weeks of allowances are authorized. Special provisions cover payments to youth.

Eligibility for training allowances:

Unemployed persons are eligible for training allowances if:

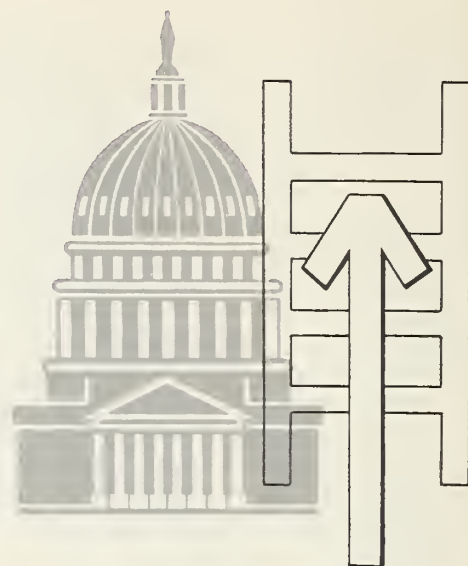
1. They have had at least 2 years of gainful employment; and
2. They are either heads of families or of households; or
3. They are members of a household in which the head of the family or household is unemployed.

The general rule is that only one person in any one household may receive training allowances at a given time. But *youth* selected for occupational training and further schooling—because they can't get jobs without such special help—may nevertheless be paid allowances up to \$20 a week. If these youths (17 or older) did not graduate from high school, they must have been out of school for at least 1 year.

Additional subsistence or commuting payments:

In appropriate cases (where training is not held within commuting distance) subsistence payments of up to \$35 a week (\$5 a day) or transportation (up to 10 cents per mile) can be made.

Trainees are allowed to work up to 20 hours per week in outside employment while in training.



EDUCATION AND TRAINING PROGRAMS UNDER THE ECONOMIC OPPORTUNITY ACT OF 1964

Public Law 88-452 (as amended)

The Economic Opportunity Act of 1964 helps States, municipalities, and local groups develop a wide range of occupational educational and training programs. The various sections of the act dealing with education and training are described below.

Job Corps, Title I-A

Purpose:

The Job Corps is intended to prepare youth for the responsibilities of citizenship and increase their employability by providing education, vocational training, and useful work experience, including work directed toward the conservation of natural resources. Both young men and young women may enroll. The men are trained in rural conservation centers and urban training centers. Up to one-third of the participants may be young women receiving training in residential training centers.

Conservation centers:

Male enrollees assigned to centers work on conserving, developing, and managing the public natural

resources of the Nation and developing, managing, and protecting public recreational areas. The centers also have *an education program aimed at correcting basic educational deficiencies of enrollees.*

Urban centers:

The Job Corps urban training centers *provide education and systematic vocational skill training* for young men and women. These centers are located in or near metropolitan areas. They are operated by universities, school boards, and other institutions which have submitted proposals meeting Job Corps requirements.

Women's Job Corps centers provide training in family life, homemaking, physical health, and recreation in addition to training for jobs.

Provisions for enrollees:

Except in special cases, no one can stay in the Corps for more than 2 years. Enrollees are given room and board, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and certain living, travel,

and leave allowances. When young men and women leave the Job Corps, they receive a readjustment allowance of \$50 for each month of satisfactory participation. While in the Corps, enrollees may allot up to \$25 of this monthly allowance directly to a member of their family. In such cases the allotment is matched by the Job Corps.

How youth can join:

Interested youths should write to the Job Corps, Washington, D.C., 20506. When there are vacancies in the Corps, local screening organizations will call on these youths and invite them to fill out detailed applications. In most areas the local offices of the employment service are the Corps' screeners; in some instances screening is handled by local Community Action Programs.

Neighborhood Youth Corps

Title I-B

Purpose:

The Neighborhood Youth Corps is a work-training program for young men and women ages 16 through 21. It is aimed at helping young people who need part-time work to stay in school or return to school, or who need full-time work experience to equip them with the necessary attitudes and skills to compete in today's job market.

Eligibility:

Young men and women, 16 through 21 years of age, who need:

- Gainful part-time work to stay in school.
- Income from a part-time job to return to school.
- Full-time work training to acquire skills needed for future employment.
- Work experience in preparation for formal job training or successful entry into the working world.

Neighborhood Youth Corps project sponsors:

Responsibility for administering the program is assigned to the Department of Labor's Neighborhood Youth Corps. Local groups originate, develop, and sponsor projects. The sponsors may be:

- State, county and local government agencies.
- Public institutions such as schools and hospitals.
- Private nonprofit organizations—other than a

political party—not devoted exclusively to sectarian affairs.

In areas where Community Action Programs under Title II-A of the Economic Opportunity Act are planned or are in operation, NYC projects normally would be coordinated with these programs.

Federal assistance:

Neighborhood Youth Corps funds cannot pay for more than 90 percent of the cost of local NYC projects for the first 2 years after enactment of the act and 50 percent thereafter, except in special cases authorized by the Labor Department. The non-Federal share of the costs can be in cash or in kind.

The College Work-Study Program

Title I-C

Purpose:

This program provides part-time employment for students from low-income families who need income to study at an institution of higher education. The program also is designed to stimulate the development of worthwhile work experience, either on-campus (for the institution) or off-campus (by arrangement with a public or private nonprofit agency). Off-campus arrangements can employ students in Community Action Programs and other programs under the Economic Opportunity Act. Other off-campus possibilities include work in health, educational, recreation, welfare, and related fields.²

Student eligibility:

In order to be eligible, a student must:

- Be enrolled or accepted for enrollment as a full-time student in an institution participating in the College Work-Study Program.
- Need the income from employment under this program to study at the institution.
- Preference is given to students from low-income families.
- Be capable of maintaining good academic standing while employed under this program.
- Be a citizen of the United States, owe permanent allegiance to the United States, or meet other

² See Section C of Title IV of the Higher Education Act of 1965 for 1965 amendments, page 18.

specific criteria regarding his residence or immigration status.

Work limitations:

Students may not work more than 15 hours per week while attending classes. However, they may work full time during vacations, summers, and other periods when classes are not in session.

For more information:

A high school student interested in knowing more about the College Work-Study Program should consult his principal or guidance counselor, and the appropriate official of the participating college in which he expects to enroll. For the prospective college student, the latter will usually be the Director of Financial Aid or Student Employment.

A student already enrolled in a participating college or university should consult the official in charge of student financial aid.

Community Action Programs

Title II-A

Purpose:

Community Action Programs are intended to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty.

Sponsoring Groups:

Both public agencies and private nonprofit incorporated organizations can sponsor Community Action Programs at the local, county, or area level. The three types of sponsoring groups are:

- Local government with advisory committee from all interested groups.
- Nonprofit corporation with large, broadly-representative board of directors and strong executive committee.
- Nonprofit corporation with small, administrative board of directors and broadly-representative advisory committee.

Scope:

Community Action Programs can encompass *employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, special remedial and other noncurricular educational assistance*, and a host of other activities for the benefit of low-income individuals and families.

No grant or contract authorized under this part of the act may provide for general aid to elementary or secondary education in any school or school system. However, this does not preclude *remedial adult education*, preschool centers, *work training projects*, and other noncurricular activities developed in school systems as part of a Community Action Program.

Financial assistance:

Through the sponsoring groups, the Office of Economic Opportunity can pay part or all of the costs of developing Community Action Programs which have been approved by OEO. Federal financial assistance can be as much as 90 percent of costs for programs initiated before and continuing after August 20, 1967, and 50 percent thereafter under present legislation. However, very poor communities—those with per capita incomes under \$750 per year—may receive grants of more than 90 percent.

Financial assistance can be provided for:

- *Program Development*—for planning by local communities, and hiring of a director and other staff members to direct the work of the CAP (Section 204).
- *Program Support*—for the major programs at the community level (Section 205).
- *Technical Assistance*—for public or private nonprofit organizations, such as universities, to help local communities develop plans and administer local programs (Section 206).
- *Demonstration Project*—to test new ideas on a small scale (Section 207).
- *Research*—to study the problems and causes of poverty and evaluate programs at all levels (Section 207).
- *Training*—to improve leadership in the local community and/or agencies assisting in Community Action Programs (Section 207).

Adult Basic Education

Title II-B

Purpose:

This program is designed to provide opportunities for adults with limited education to improve their reading, writing, and arithmetic skills. Under Title II-B, grants to States are available for establishing Adult Basic Education projects for the 22.5 million people 18 years old and older who have less than an

elementary education. Such people are eligible for participation wherever a program is established. The three major purposes are:

1. To help local educational agencies establish programs and pilot projects in adult basic education.
2. To assist with the actual costs of adult instruction.
3. To help State educational agencies improve their technical and supervisory services to adult basic education.

Types of projects:

Local communities may choose from a variety of projects those most appropriate to their needs. Basic content in teaching the three R's are adult experiences such as family living, consumer buying, saving and budgeting, credit management, civic responsibility, occupations, etc. Where needed, adult basic education projects should be major components of Community Action Programs.

Program administration:

The U.S. Office of Education makes grants, based on a specific formula, directly to State education agencies. The State agency allocates funds to local public school agencies as provided for by State plans. Local groups wishing to start Adult Basic Education projects should ask *local public school* authorities how to develop projects.

The Work-Experience Program

Title V

Purpose:

Work-Experience Programs are intended to develop and expand useful work experience and training of unemployed parents and other needy, or potentially needy, persons. Work-training experiences are carried out through experimental, pilot, or demonstration projects provided by Section 1115 of the Social Security Act, one of the 1962 public welfare amendments. Other benefits may include public assistance payments, medical care, and a variety of social services. Emphasis is on expanding and improving community work and training programs under Section 409 of the Social Security Act and Aid to Families with Dependent Children—Unemployed Parent Segment (AFDC-UP).

Who can qualify?

Unemployed parents—mothers and fathers of families receiving public assistance for their children—are the most natural group for such a project. These are the families in the public assistance programs known as Aid to Families with Dependent Children—Unemployed Parents (AFDC-UP). Other needy persons may also be included: For example, those receiving aid under programs such as Old Age Assistance and others who are not now, but who might become, dependent on public assistance.

Scope and kinds of projects:

Community imagination and viability will determine the scope and kinds of work-experience projects. They may range from basic work experience and adult basic education to prepare people for the simplest jobs, to advanced programs of adult and vocational training for highly skilled factory, construction, or office work. Projects may be designed to improve or develop new skills, such as work in a public garage for special new types of training, training for skilled office and clerical work, power machine operation, seamstress, waiters, therapy aides, practical nurses, etc.

Compensation:

Participants get paid at the local hourly wage rate or minimum State rate for similar work, whichever is higher. A trainee can work the number of hours needed to equal what his family receives from the State public welfare agency, but in no case more than 40 hours a week or 8 hours a day. His pay may cover additional costs such as work clothes, transportation costs, and lunches. The trainee's family can also receive health and medical care, to the extent such care is available in ongoing public assistance programs, as well as social services to help with other family problems that must be solved before the trainee can be employed.

How to secure Federal funds:

The local public welfare agency, with the counsel, guidance, and supervision of your State public welfare agency, prepares the project application. Once the project is approved by the State agency, it is forwarded to Washington for approval. Once approved, Federal funds are sent to the State agency which administers, coordinates, and evaluates the project.

COMMUNITY SERVICE AND CONTINUING EDUCATION PROGRAMS UNDER TITLE I OF HIGHER EDUCATION ACT OF 1965



Purpose:

Title I provides financial assistance to strengthen community service programs of colleges and universities “for the purpose of assisting the people of the United States in the solution of community problems such as housing, poverty, government, recreation, employment, youth opportunities, transportation, health, and land use.”

Definition of community service: (Section 102)

For purposes of Title I, “community service program” means an educational program, activity, or service, including a research program and a university extension or continuing education offering, which is designed to assist in the solution of community problems in rural, urban, or suburban areas, with particular emphasis on urban and suburban problems. Institutions offering such programs must determine that: (1) The proposed program is not otherwise available; and (2) the program is consistent with the institution’s overall educational program and appropriate to the resources and competencies of its faculty.

Where course offerings are involved, they must be university extension or continuing education courses and: (1) Be fully acceptable toward an academic degree; or (2) be of college level.

Financial assistance: (Sections 101 and 103)

Section 101 of the act authorizes \$25 million for

the fiscal year ending June 30, 1966³; \$50 million for the fiscal years ending June 30, 1967 and 1968; and thereafter such sums as Congress authorizes for fiscal years ending June 30, 1969 and 1970. Section 103 prescribes certain criteria for the allotment of funds to the various States and territories, with a minimum allotment of \$100,000 to each of the States, plus an additional amount based on the ratio of the population in the State to the population of all States.

Use of funds: (Section 104)

A State’s allotment under Section 103 may be used, in accordance with its State plan approved under Section 105 to provide new, expanded, or improved community service programs.

State plans: (Section 105)

To be eligible for funds under Title I, a State must designate or create a State agency or institution which has special qualifications for solving community problems and which is broadly representative of institutions of higher education in the State which are competent to offer community service programs. Each State must also submit to the Commissioner of Education, Department of Health, Education, and Welfare, a State plan which meets certain prescribed criteria for administering funds available under Title I.

³ \$10 million was appropriated for the fiscal year ending June 30, 1966.

THE STATE TECHNICAL SERVICES ACT OF 1965

Public Law 89-182



Purpose:

The purpose of this act is to promote commerce and encourage economic growth by supporting State and interstate programs to make the findings of science readily available and useful to American enterprise.

Technical services:

For the purpose of this act, "technical services" means activities or programs designed to enable business, commerce, and industrial establishments to acquire and use scientific and engineering information more effectively.

Training programs:

The act authorizes financial assistance for various technical services including funds for sponsoring industrial workshops, seminars, training programs, extension courses, demonstrations, and field visits designed to encourage the more effective application of scientific and engineering information.

Administration:

The Governor of any State wishing to receive Federal funds to support existing or planned technical service programs shall designate an institution or agency to administer and coordinate the program and to prepare and submit a 5-year plan and an annual program to the Secretary of Commerce for approval under this act. All qualified institutions in the State must be invited to submit proposals for providing technical services under this act.

Financial assistance:

The act authorizes \$10 million for the fiscal year ending June 30, 1966; \$20 million for the fiscal year

ending June 30, 1967; and \$30 million for the fiscal year ending June 30, 1968. From these amounts, the Secretary of Commerce is authorized to make annual payments to each State-designated agency whose 5-year plan and annual program for administering the funds have been approved by the Secretary.

Payments to the States:

Annual grants for State Technical Services programs require matching by non-Federal funds. The Secretary may also reserve an amount equal to not more than 20 percent of the total amount appropriated each year for payment to qualified State agencies or institutions for programs of special merit or additional programs which he deems necessary for accomplishing the purposes of the act. This also requires non-Federal matching funds.

In addition to the payments to States on a matching basis, the Secretary is authorized to provide each designated State agency up to \$25,000 per year for each of the first three fiscal years to develop the required 5-year plan and the annual technical services program.

Qualified institutions:

A "qualified institution" under the provisions of this act is: (1) An institution of higher learning with a program leading to a degree in science, engineering, or business administration which is accredited by a nationally recognized accrediting agency or association; or (2) a State agency or a private, nonprofit institution which meets criteria of competence established by the Secretary of Commerce.



MENTAL RETARDATION AND VOCATIONAL REHABILITATION PROGRAMS

Federal programs which provide aid to States and municipalities, educational and health institutions, and local groups in the fields of mental retardation and vocational rehabilitation are described below.

Mental Retardation Legislation

During the fall of 1963, the late President John F. Kennedy signed into law two major pieces of legislation on mental retardation: (1) Public Law 88-156, Maternal and Child Health and Mental Retardation Planning Amendments of 1963; and (2) *Public Law 88-164*, Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

Purpose:

This legislation provides for the expansion of existing mental retardation programs and the creation of new areas of activity. The basic intent of the acts is: (1) To prevent mental retardation; and (2) to help *educate and train* the mentally retarded to their fullest capabilities.

Major provisions of Public Law 88-164:

Titles I and III authorize appropriations of \$179

million over a 5-year period beginning with fiscal year 1964 for:

- Construction of nonprofit research centers to develop new knowledge for preventing and combating mental retardation.
- Grants to help construct public or nonprofit clinical facilities for the mentally retarded when the facilities are associated with colleges or universities.
- Formula grants to States to help construct specially designed public and nonprofit facilities providing diagnosis, treatment, *education, training*, and custodial care services for the mentally retarded, *including sheltered workshops*.
- Grants to institutions of higher learning and to State educational agencies to extend and strengthen existing programs for training teachers of mentally retarded and other handicapped children.
- Grants to States and to public and nonprofit private educational and research agencies for research or demonstration projects relating to the education of the handicapped.

Vocational Rehabilitation Services

Purpose:

The Federal-State Vocational Rehabilitation Program provides services to physically and mentally disabled persons wherever they may be. Such programs in all States have served disabled farmers and rural workers for many years.

Who is helped?

Any disabled person is eligible for help. However, low-income and indigent persons living on farms, in rural areas, and in small towns who are less likely to share other sources of help are favored.

How does a disabled person qualify or apply for help?

An individual may seek the service for himself from the nearest field or district vocational rehabilitation office. The State office is generally in the State capital. District and field offices are generally distributed geographically. Physicians and other persons may refer an individual for help, also health and welfare agencies, and agricultural agencies, including the Cooperative Extension Service.

Eligibility:

To be eligible, an individual must:

- Have a disability which substantially interferes with suitable employment.
- Have a reasonable chance of becoming suitably employed within a reasonable period if vocational rehabilitation services are provided.

Kinds of services provided:

- Medical diagnosis to learn the nature and degree of disability and determine eligibility for services, the need for additional medical services, and the individual's work capacities.
- Medical, surgical, psychiatric, and hospital services to remove or reduce the disability.
- Artificial limbs and other prosthetic appliances.
- Individual counseling, guidance, and testing to help select and attain vocational objectives.
- *Training, including occupational and adjustment training for the blind.*
- Maintenance and transportation during treatment, training, or other rehabilitation.
- Tools, equipment, licenses, and stocks and supplies necessary to give the rehabilitated individual a fair start.
- Placement in a job commensurate with the individual's physical and mental capacities.
- Followup services to ensure that the rehabilitated person is successful and the employer is satisfied.



STUDENT LOAN AND GRANT PROGRAMS

The four major student loan and grant programs are the National Defense Student Loan Program, Title IV of the Higher Education Act of 1965, the National Vocational Student Loan Insurance Act of 1965, and the Nurse Training Act of 1964 described below.

The National Defense Student Loan Program

(and 1964 amendments)⁴

Purpose:

The National Defense Student Loan Program created student loan funds at institutions of higher education (including technical schools) from which undergraduate and graduate students in need of financial help may borrow at reasonable terms to complete their education. To date, more than 600,000 students have been helped to complete their college education through the program.

On October 16, 1964, President Johnson approved the National Defense Education Act Amendments of 1964 which extend the act 3 years (through fiscal year 1968) and which greatly expand several

of the NDEA programs. They authorize appropriations through June 30, 1972, to enable students who have received loans earlier to continue or complete their education.

Eligibility:

Students must be enrolled or accepted for enrollment in institutions participating in the National Defense Student Loan Program. To be eligible for loans, a student must:

- Be in need of assistance and able to maintain good standing in his school.
- Be carrying at least one-half the normal full-time academic workload as determined by the institution in which he is enrolled.
- Be a citizen of the United States or intend to reside permanently in the United States.

Loans:

Eligible undergraduate students may borrow up to \$1,000 and graduate or professional students up to \$2,500 in 1 academic year. Total loans to any student for undergraduate and graduate education may not exceed \$10,000.

Loan terms:

The borrower must sign a note for his loan. Three percent interest begins to accrue 1 year after the borrower ceases to be a student. Repayment must begin 2 years after the borrower leaves college and must be completed 10 years later. Repayment may

⁴ For key 1965 amendments, see Section D of Title IV of the Higher Education Act of 1965, page 19.

be temporarily delayed if a student returns to college, enters the Armed Forces, joins the Peace Corps, or serves as a VISTA Volunteer.

The borrower's debt is cancelled in the event of his death or permanent and total disability.

Cancellation of obligation for teachers:

Part of the loan plus interest may be cancelled if the borrower becomes a full-time teacher in public or private nonprofit elementary and secondary schools or in institutions of higher education. Such cancellation is at the rate of 10 percent for each year of teaching service, up to a maximum of 50 percent.

Administration of loans:

The Congress appropriates funds for the National Defense Student Loan Program which are distributed among participating institutions of higher education by the U.S. Office of Education, Department of Health, Education, and Welfare.

Where to apply for loans:

Application for loans should be made with the student financial aid office in the institution which the student attends or expects to attend. Loan applications are not available from the U.S. Office of Education.

Title IV of the Higher Education Act of 1965

PART A: EDUCATIONAL OPPORTUNITY GRANTS

Purpose:

Part A provides grants to assist in making available the benefits of higher education to qualified high school graduates from low-income families who would be unable to further their education without such aid.

Financial assistance: (Section 401)

Section 401 authorizes \$70 million for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years to enable the Commissioner of Education to make payments to institutions of higher education for undergraduate students eligible for educational opportunity grants.

Amount of grants: (Section 402)

Grants awarded by institutions of higher education under Part A of Title IV shall not exceed the lesser of:

- (a) \$800 per year or
- (b) One-half of the expense of attending college as determined by the institution.

Certain criteria must be met to be eligible for assistance under this part of the act.

Students who were in the upper half of their college class the previous year are eligible for \$200 in addition to the amount determined above.

If the amount of payment determined by the institution is less than \$200, no payment shall be made to the student for the particular year.

Duration of grant: (Section 403)

Grants awarded under Part A shall be for the period required for completion of the student's undergraduate course of study at the institution from which he received the grant but shall not exceed 4 years. The student is eligible for payments only if he is pursuing his studies essentially full-time and is making satisfactory progress.

Eligibility: (Section 404)

Students are eligible for grants at participating institutions if they make application at the time and in the manner prescribed by the institution.

An institution shall not award a grant to an individual unless it determines that:

- He has been accepted for enrollment, or is in good standing and in full-time attendance as an undergraduate student.
- He shows evidence of academic or creative promise.
- He is in exceptional financial need.
- He would not be financially able to remain in school without the grant.

PART B: LOW-INTEREST INSURED STUDENT LOANS

Purpose:

Part B authorizes the Commissioner of Education to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions; to provide a Federal program of student loan insur-

ance for those not having reasonable access to State or private student loan insurance programs; and to pay a portion of the interest on such loans to qualified students.

Loan and insurance limitations: (Section 425)

The total student loan in any academic year which may be covered by insurance under Part B may not exceed \$1,500 for graduate or professional students or \$1,000 for any other student.

The total insured unpaid principal shall not exceed \$7,500 for graduate or professional students or \$5,000 for any other student.

A student can receive only one insured loan in any one year whether it is under this act or the National Vocational Student Loan Insurance Act of 1965.

Insurance liability:

The insurance liability on any loan insured by the Federal Government under Part B is 100 percent of the unpaid balance of the principal. However, the insurance does not include liability for interest whether or not the interest has been added to the principal amount of the loan.

Eligibility for loans: (Section 427)

A loan shall be insurable under Part B of the Federal program only if:

1. Made to a student who:
 - Has been accepted for enrollment at an eligible institution or is a student in good standing.
 - Is carrying at least one-half the normal full-time workload as determined by the institution.
 - Has provided the lender with a statement of the institution which sets forth a schedule of tuition and fees and the institution's estimate of the cost of room and board.
2. Evidenced by a note or other written agreement which:
 - Is made without security and endorsement except that the borrower is a minor and an endorsement may be required.
 - Provides for repayment. Only the interest on insured loans is required to be paid during the period of the student's enrollment in an approved institution of higher education. Repayment of principal is required to be made over a period of not more than 10 years beginning not earlier than 9 months nor later than 1 year after the borrower

ceases to carry at least one-half of the normal full-time academic workload as determined by the institution. The period of the loan may not exceed 15 years from the execution of the note or written agreement.

- Provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period that the student is in attendance at an institution of higher education or not in excess of 3 years while serving in the military service or in the Peace Corps.
- Provides for interest on the unpaid principal balance of the loan at a yearly rate.
- Provides that the lender will not collect nor attempt to collect any portion of the interest on the note which is payable to the Commissioner.
- Entitles the student borrower to accelerate repayment without penalty.

No maximum rate of interest may exceed 6 percent of the unpaid balance except under circumstances which threaten to impede the carrying out of the purpose of this part of the act. In this case, interest may be as high as 7 percent.

Total payments by a borrower in any one year of his repayment period shall not be less than \$360 or the balance of all principal and interest whichever is less.

Partial Federal interest payments: (Section 428)

Students, whose adjusted family income is less than \$15,000 at the time the insured loan is made, are eligible for partial payment of the interest from Federal funds as prescribed in Part B. The total amount of interest accrued prior to the repayment period and 3 percent thereafter can be paid from Federal funds.

**PART C: COLLEGE WORK-STUDY PROGRAM
EXTENSION AND AMENDMENTS**

Amendments:

Part C transfers the Work-Study Program under Title I of the Economic Opportunity Act of 1964 from the Office of Economic Opportunity to the Office of Education, Department of Health, Education, and Welfare.

Participating institutions may pay their share

to students in the form of services and supplies furnished by the institution. The amendments also expand the opportunities for part-time employment but preference must be given to students from low-income families.

PART D: AMENDMENTS TO THE NATIONAL DEFENSE STUDENT LOAN PROGRAM

The requirements for repayment of student loans are altered to require payment to commence 9 months after the borrower ceases to carry at least one-half the normal full-time academic workload. The minimum rate of repayment is \$15 per month, and no interest will accrue while the borrower is carrying at least one-half the normal full-time academic workload.

The loan forgiveness provision of the National Defense Student Loan Program is expanded to permit persons who teach in areas of high concentration of low-income families to cancel their entire obligation at the rate of 15 percent per year.

The legislation amends the National Defense Education Act to include economics among the critical subjects to be covered in Title III (equipment) and to include economics, civics, and industrial arts among the subject areas in Title XI (teacher training institutes).

National Vocational Student Loan Insurance Act of 1965

Purpose:

To encourage States and nonprofit private institutions to establish adequate loan insurance programs for vocational students; to provide a Federal program of student loan insurance for vocational students who do not have reasonable access to such a program; and to pay a portion of the interest on loans insured under this act. Eligible students under this act are not required to be high school graduates.

This act has the same purpose and the same provisions for *vocational* students as Part B, Title IV, of the Higher Education Act (pages 17 and 18) does for academic students with the following exceptions:

Institutions eligible to participate in the insured student loan program under this act are business or trade schools, technical institutions or other technical or vocational schools including proprietary institutions.

Limitations on loans and insurance: (Section 6)

The total student loan in any one year which may be covered by insurance under this act may not exceed \$1,000. The aggregate insured unpaid principal amount shall not exceed \$2,000.

Insurance loans to vocational students may be made for a 2-year period.

Direct loans: (Section 10)

The Commissioner of Education may make a direct loan to any vocational student eligible for an insured loan under this act, if insurable loans are not available from Federal, State or nonprofit private institutions at the prescribed rate of interest, or if the student has been unable to obtain an insured loan at the prescribed rate of interest.

Nurse Training Act of 1964

Public Law 88-581

Purpose:

This act provides student financial aid to attract more people to the nursing profession and funds to build additional facilities for training them.

Problem:

In 1962 the Public Health Service's Consultant Group on Nursing reported that the Nation will need a 75-percent increase in new nurses by 1970. However, a scarcity of student aid funds has discouraged many young people from entering nurse's training. The Congress responded to this critical situation by passage of the Nurse Training Act of 1964.

Provisions:

The act provides for various kinds of Federal support including:

- A major student loan program to attract new recruits to nursing. Loans of up to \$1,000 per year are available for students attending eligible nursing schools. Accredited public or nonprofit colleges, universities, junior colleges, and hospital or diploma-schools which provide nurses' training are eligible. Low-interest loans are earmarked for students who qualify both by need and academic standing. The loans have a partial cancellation clause allowing as much as 50 percent of the loan plus interest to be cancelled in return for 5 years of full-time service as a professional nurse in a

public or nonprofit organization. Student loans may not run concurrently with a National Defense Education Act Loan.

- Extension and expansion of the existing traineeship program. Schools may award trainees the cost of tuition, monthly stipends, allowances for dependents, and sums for some specified travel for a maximum of 24 months. Tuition fees and daily stipends also are available for nonresident trainees enrolled in short-term courses. Funds go to institutions which select trainees on the basis of need and ability. Traineeships may be used for full-time university study or for short-term training provided by health agencies or other nonprofit sponsors.
- Special support for accredited diploma-schools of nursing. A grant formula for these schools is based on their increased enrollment resulting from the Nurse Training Act.
- Construction grants to boost the enrollment capacity in nurses' training programs of accredited colleges, universities, junior colleges, and hospitals.
- Grants for improvement of nurses' training in diploma, collegiate, and associate degree schools of nursing for projects which will improve, strengthen, or expand teaching programs.

Eligibility for a Nursing Student Loan:

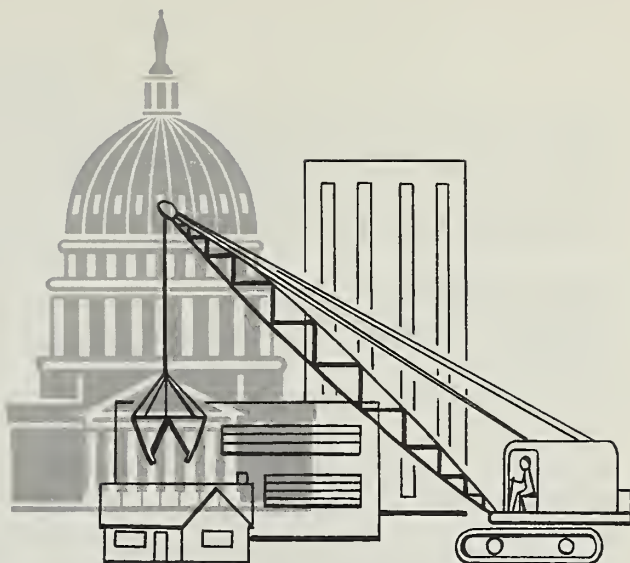
To be eligible for a loan from the Nursing Student Loan Program, a student must be:

- Enrolled or accepted for enrollment as a full-time student in a school of nursing that has a loan fund.
- A citizen or national of the United States or intend to reside permanently in the United States.
- Pursuing a course of study leading to a baccalaureate or associate degree in nursing, a diploma in nursing, or a graduate degree in nursing.
- In need of assistance and able to maintain academic good standing.

Where to apply for loans:

Traineeships and student loan funds are administered by nursing schools. No loans or traineeships are made directly to students by the Federal Government.

The schools select recipients of loan funds, and make and collect the loans under conditions prescribed by the act. Students desiring loans or traineeships must apply directly to nursing schools which have loan funds or to schools participating in the traineeship programs. Students already enrolled in a participating school of nursing should consult the official in charge of student financial aid.



LOANS AND GRANTS FOR CONSTRUCTION AND CLASSROOM FACILITIES

Several of the foregoing acts provide funds for construction and for specific classroom teaching facilities such as vocational education or nurses' training. The Higher Education Facilities Act described below, however, provides grants and loans for a variety of educational purposes.

Higher Education Facilities Act of 1963

Public Law 88-204

Purpose:

This act provides grants and loans to public and other nonprofit institutions of higher education to construct, rehabilitate, or improve buildings to house classrooms, libraries, and laboratories needed to expand enrollment.

Goal:

The primary goal of the act is to *expand enrollment capacity*. The reasons for enacting the legislation were compelling. By 1970, the number of college students is expected to reach 7 million—double that of 1960. To keep pace with this growth, colleges and universities will need to spend \$1 billion more a year until 1970. The act helps make this possible through grants and loans.

By making special provision for their growth, the act also takes note of the unique role of *public community colleges and technical institutes* in the national scheme of post-high-school education. It also provides measures to spur the development of graduate schools and their better geographic distribution across the Nation.

Funds authorized and appropriated:

An investment of \$1.2 billion was authorized over a 5-year period. For the fiscal year ending June 30, 1965, Congress appropriated \$463,150,000: \$50 million for *grants* to public 2-year colleges, technical institutes, and off-campus branches of 4-year colleges and universities; \$179 million for grants to degree-granting institutions; \$60 million for grants to graduate schools and cooperative graduate centers; and \$169 million plus for *loans* for construction of needed facilities.

Eligibility:

Public and nonprofit private institutions of higher education are eligible under the specific provision that the construction will result in urgently needed and substantial expansion of the institution's student enrollment capacity or, *in the case of a new institution*, result in creating urgently needed enrollment capacity. The Federal grant shall not

represent more than $33\frac{1}{3}$ percent of the cost of the project. *At least 22 percent of the funds allotted to a State must be made available only to public community colleges and technical institutes.*

Types of facilities that qualify:

“Academic facilities” are defined as structures suitable for use as classrooms, laboratories, libraries, and related facilities necessary or appropriate for student instruction, research, or the administration of educational and research programs. Excluded are: Facilities intended primarily for events for which admission would be charged to the general public; facilities designed especially for athletes or recreational activities other than an academic course in physical education; any facility to be used for sectarian instruction or as a place for religious worship; and any facility to be used by a school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, nursing, or public health. The latter are eligible for other Federal grants.

How to obtain grants:

Institutions or communities submit project plans to a State commission or agency designated to review proposals for eligibility, and to assign priorities within an overall State plan for education. The State Commission submits the approved and recommended projects to the U.S. Commissioner of Education where they are approved for funding within that State's allotment.

Loans:

With the definitions of “construction” and “higher education facilities” remaining the same as for grants under this act, Title III provides for loans to institutions under the provisions that: (1) Not less than one-fourth of the cost of the facility will be financed from non-Federal sources; (2) that the applicant is unable to secure a loan from other sources under equally favorable terms; and (3) that the construction will be undertaken in an economical manner and not be of elaborate or extravagant design or materials.

APPENDIX

Additional Sources of Information

Where the source given is the Office of Education, please complete the address by adding: U.S. Department of Health, Education, and Welfare, Washington, D.C., 20202.

Health Professions Educational Assistance Act	Bureau of State Services (Community Health), Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C., 20201.
Higher Education Facilities Act	Bureau of Higher Education, Office of Education.
Higher Education Act of 1965:	
Title I_____	Commissioner of Education, Office of Education.
Title IV_____	Division of Student Financial Aid, Bureau of Higher Education, Office of Education.
Vocational Education Act of 1963	Division of Vocational and Technical Education, Bureau of Adult and Vocational Education, Office of Education.
National Defense Student Loan Program	Division of Student Financial Aid, Bureau of Higher Education, Office of Education.
Manpower Development and Training Act	Training provisions: Manpower Development and Training Program, Division of Vocational and Technical Education, Office of Education. All other provisions: Manpower Administration, Department of Labor, Washington, D.C., 20210.
Economic Opportunity Act (Education Provisions):	
Job Corps_____	Office of Economic Opportunity, 1200 19th St. NW., Washington, D.C., 20506.
Work-Training Programs_____	Neighborhood Youth Corps, U.S. Department of Labor, Washington, D.C., 20210.
College Work-Study Programs---	Division of Student Financial Aid, Bureau of Higher Education, Office of Education.
Adult Basic Education Program--	Division of Adult Education Programs, Bureau of Adult and Vocational Education, Office of Education.
Community Action Program-----	Office of Economic Opportunity, 1200 19th St. NW., Washington, D.C., 20506.
Nurse Training Act	Bureau of State Services (Community Health), Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C., 20201.
State Technical Services Act	Secretary of Commerce, Department of Commerce, Washington, D.C., 20230.

Cooperative Extension Work: United States Department of Agriculture and State Land-Grant Colleges and Universities Co-operating. Issued March 1966.

